



MG4	MASS Governance	Risk Management Policy and Procedures
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<b>What this policy aims to do</b>	Ensure the effective management of risk across all activities of MASS to minimise negative impact on the organisation and its stakeholders.
<b>Who this policy applies to</b>	Board members, managers and employees of MASS
<b>Who is responsible for carrying out this policy</b>	Board members, managers and employees of MASS
<b>What words used in this policy mean</b>	<p>'Risk' is the possibility that an expected result will not be achieved or that an unforeseen event might occur. It is usually measured in terms of consequences (what will happen) and probability (the chances of it happening)</p> <p>'Risk management' is a method of identifying, analysing, evaluating, treating, monitoring and communicating risks. It is as much about identifying opportunities as avoiding losses or problems</p>
<b>Legislation this policy is based on</b>	<a href="#">National Disability Service Standards</a>
<b>Other relevant policies</b>	<p>HS13 Duty of Care</p> <p>MG1 Board Authority and Operations</p> <p>MG5 Delegations</p>

<b>Version</b>	<b>Date</b>	<b>Author/Editor</b>	<b>Approved by</b>	<b>Notes</b>
1.0	26/8/2016	Peter Lane		
1.1	31/5/2018	D Stephenson		Update format and ISO to 2018
1.2	02/09/19	D Stephenson	16/5/2019 Board of Directors	Added NDIS requirements for support delivery
1.3	29/2/2020	D Stephenson	S Reeves	Changed name from MBD to MG

## Risk Management Policy

The effective management of risk is important in maintaining a viable organisation and providing a safe environment for stakeholders. The Board is responsible for determining the risk appetite of the organisation.

To be effective, risk management is aligned to the strategic plan and embedded in all activities of the organisation. The Board, management and employees hold shared responsibility for ensuring it is part of the strategic and operational management of the organisation.

The Director and the Board maintain a Risk Register for the organisation that is reviewed at minimum annually. This framework identifies risks across a range of categories and summarises the assessment of their impact and likelihood. The framework includes treatments applied to manage the risk and any other monitoring or action required.

It is also important that all staff know to inform, as soon as possible, their manager or the Director if they believe that MASS may be at risk of unplanned financial loss such as unanticipated expenses, bad debts or damage to assets.

## Risk Management Procedures

### Steps in risk management

- ☑ The Director and Board should identify major risks faced by the organisation, under the following headings:
  - Strategic directions and opportunities
  - Services and NDIS Support Delivery
    - Incident management
    - Complaints management
    - Work health and safety
    - Human resources management
    - Financial management
    - Information management
    - Governance
  - Human resource management
  - Workplace health and safety
  - Financial management
  - Compliance and legal duties
  - Relationships between MASS's key stakeholders and competitors
  - Business interruptions – including catastrophic events, systems failures, data loss etc
  - Reputational risk.
- ☑ Individuals conducting or participating in risk management should be familiar with the principles and steps (based on the Australian/New Zealand Standard AS/NZS ISO 31000:2018) described in the diagram table below:

## Risk Management Procedures

STEPS	ACTIONS
Establish Context	Establish the risk assessment environment, clarify objectives and define the process
Risk Identification	Identify as many risks as possible through an examination of all sources of risk and consideration of all areas of effect
Risk Analysis	Analyse the risk with existing controls to determine the risk level, in consideration of the likelihood of the risk and the consequences of the risk
Risk Evaluation	Determine those risks that are acceptable and those that require treatment
Risk Treatment	For risks that require treatment, strategies or actions may be developed, including preventative controls that reduce the likelihood of the risk, and corrective controls that mitigate the full impact of the consequence
Monitor and Review	Maintain the accuracy and the relevance of the process

- The Director and Board develop a Risk Register for the organisation (summarising the impact and likelihood of particular events including ways the organisation will manage the risks)
- The Risk Register will be tabled for review by the Board at least annually; this should be incorporated into the Board Work Plan
- The Board will require that the Director and staff undertake risk management training. This may occur across the organisation or within specific services or areas of function, at any time.

### Staff responsibilities

- Project teams and managers of key service types are required to identify risks associated with service activities and any new proposals/projects
- All staff must inform, as soon as possible, their Manager or the Director if they believe that MASS may be at risk of unplanned financial loss or damage to assets
- The Board must also be informed when serious risks are identified through the review of incidents, complaints, accidents and/or safety inspections